

**The Saskatchewan
Farmer-Labor
Group**



**Agricultural Land
Policy**

**PUBLISHED BY THE FARMER-LABOR GROUP
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AGRICULTURAL LAND POLICY

One of the most interesting and most important of the clauses in our Provincial Economic Policy is that which deals with security of tenure of farms and home. Notwithstanding that this proposal has been attacked as unsound by our opponents, it is not by any means so extreme as many people imagine.

In order to clear up any misunderstanding which may arise, and so that our people may be under no misapprehension as to what is meant by this clause in our Economic Policy, we feel that it is necessary to refer back to the early days of land settlement in Canada. The early settlers will remember that under the federal land settlement policy, homestead lands were all even numbered sections with the exception of those set aside for the Hudson's Bay Company. The odd numbered sections became the property of various companies, such as the C.P.R. Land Company and the C.N.R., these land grants having been made by past federal governments. Large blocks of land in the ranch areas of the province are and have been held under grazing leases, such lands including both odd and even numbered sections.

RECOMMENDED BY ROYAL COMMISSION

Now that the provincial government has taken over the natural resources, they have seen fit to place a value on land in respect to its quality—this being in addition to the charge under the federal land policy—and in order to investigate the possibility of immigrant settlers attaining success in agricultural pursuits, they appointed a Royal Commission on Immigration in the year 1929. Following their study of the question the Commission reported as follows:

"We recommend the investigation of the 'use lease' method of disposing of crown lands and invite special attention to this, as we believe that its application may in the case of land of marginal quality be more successful than outright sale. This might be specially tested in the case of those crown lands which the survey finds suitable for settlement but which require clearing and we recommend that all such lands be cleared under government auspices and the cost of such clearing included in the sale or lease price of such lands."

HOW LAND VALUES WERE CREATED

With the land settlement policies in vogue up to date regarding federal and company lands, close consideration must be given to the methods in practice to create values in lands as yet unimproved. Under the settlement scheme, settlers took up their homesteads and through application of their labor gave the first value to their lands in the shape of improvements. As settlement went on and the original settlers wished to extend their operations, the company holders made a charge for their holdings to the settlers when purchasing, for values brought about and which could only have been brought about by the labors of the settlers. Thus we find that "company lands" increased in value, because of the improvements made on the land by the original settlers and without any effort whatsoever on the part of the land speculators.

In considering the question of land settlement, and of the situation in which the farmer at present finds himself, these facts must be borne in mind.

LONG TERM LEASES ONLY GIVE STABILITY

Throughout the whole period during which the method of land settlement referred to has been carried on, agriculture has been neither successful nor stable, except where long term leases have been in operation, as in the case of grazing and ranching lands. It is evident, therefore, that the system of long term leases is the only basis on which stability can be given to the farming industry, or under which benefits can be conferred on the occupant of land and so relieve him of fear of economic difficulties. No such opportunity, however, is provided for the grain and mixed farming agriculturist. Owing to economic conditions, over which he has no control, he is hampered in his efforts at development, and is in constant danger of losing his equity in the value of the holding which has accrued to him as a direct result of his own labor, and which is not in the land apart from such labor.

HOW IT MAY BE DONE

There are several methods by which a man under the present system may become owner in some sense. He may either own the land outright, or he may be a part owner with the mortgagee or by purchase through an agreement of sale. In the latter two cases many farmers have been faced with the proposal to cancel the agreement of sale or mortgage and to sign and comply with the terms of a crop lease instead, which will give security of tenure only from year to year. To the farmer who accepted such a proposal, it means, in most cases, that it is only a matter of time until the "owner" becomes the tenant of the corporation. Bearing these facts in mind, we can readily see how the present economic system of production for profit is gradually changing a free province into a province overburdened with debt.

TO PRESERVE FREEDOM

In placing the policy of security of tenure by the "use lease" before the people of the province, we believe, first, that it contains the basic principle for the preservation of freedom, individual rights and the dignity of the race in which we pride ourselves. Secondly, we refuse to regard it as confiscation of property; and, thirdly, after the value has been built into the land by the application of labor, we do not consider that the agriculturist should be evicted or foreclosed upon, and the result of his labors be confiscated. After all, the question of confiscation is not a one-sided one and values given by labor must be respected. In our opinion, the present system is not in the best interests of the province as a whole and it does not make for social welfare.

LAND TO HAVE CONSIDERATION

For the purpose of arriving at a clear-cut understanding of the land policy, we have classified the land of the province as follows:

- (a) Crown lands taken over by the province, which are now open for settlement.
- (b) Lands which, owing to failure or inability to pay taxes, revert to the municipalities.
- (c) Lands which are so heavily loaded with debt that it is impossible for the occupant to meet his obligations and provide for the maintenance of the home.
- (d) Lands now held by individual agriculturists, who consider that they can make a success of farming under the present system and who, therefore, feel that no safeguards are necessary.

HOW SECURITY OF TENURE WILL BE PROVIDED

Class "A"—With reference to the lands under Class "A", security of tenure will be provided by the "use lease," which will contain the perpetuity clause.

Class "B"—With regard to the lands which come under Class "B," an adjustment will be made between the municipalities and the government, by which the government will pay the taxes and assume title to the property; security of tenure then, as in the previous case, being provided by the "use lease" containing the perpetuity clause; the original owner of the land to have first claim to the "use lease" contract.

Class "C"—Lands under Class "C" will also be given security of tenure on the same terms as provided in classes "A" and "B," but consideration will be given in arriving at the basis of value to both creditor and debtor. Voluntary application must be made in these cases to a board set up by the government of the province, to be known as an arbitration board, which board will decide on the valuation of the land based on agricultural productive value in the world's market. The value arrived at by the arbitration board will then be amortized over a term of years. The government will issue bonds to the creditors payable on the amortization plan through a department set up specially for the collection of funds in the form of rents on such property, which will vary according to the classification of the land. This adjustment of the farm debts is based on a recognized business principle, which is applied in arriving at a settlement of indebtedness as between merchants and their creditors in every country of the world. Why not apply it to the agriculturists as well?

When lands referred to in Clauses (a), (b) and (c) have been cleared of indebtedness by a reasonable adjustment as outlined above, the only other payment to be made by the "use lease" farmer, apart from any federal taxation imposed, will be the taxes necessary to cover the cost of provincial and municipal government.

Owners of lands under Class "D" can be given security of tenure by the issue of "use lease" upon the owner making voluntary application to the government.

IMPROVEMENTS SECURED TO OCCUPANT

The question of improvements placed upon the land which is held under a "use lease" will naturally arise. In this connection it should be borne in mind that under the present system of mortgage all improvements, including buildings, fences, etc., become the property of the mortgage company until the loan with interest is paid in full. Not so with land held under a "use lease." The land only will be the property of the government (the people); improvements placed upon such lands by the occupant will remain his or her private property for all time to come. The occupant will be free at all times to dispose of or remove fences, buildings, etc., placed on the land by himself whenever he sees fit, and in the case of a desire on the part of the occupant to quit farming, he will, of course, have an opportunity to dispose of his improvements, either to the party who is making application for the new lease or to someone else. Should he fail to secure a fair price for such improvements, he will have every right to make application to the government, who will purchase such improvements at "use" value and make whatever arrangements are just and equitable with the new occupant. The duty of any government is, above all, to serve the people.

Our Slogan: HUMANITY FIRST

*"Join the Army of the Common Good
in a War on Poverty."*

—E. A. Partridge